

**MINUTES OF THE STANDING COMMITTEE ON
TAX POLICY**

Wednesday, November 7, 2007 10:30 A.M. Room 519 House Office Building

Chairman Bieda called the meeting to order.

MEMBERS PRESENT: Reps. Bieda, Condino, Farrah, Robert Jones, Mayes, Meisner, Melton, Sheltrown, Warren, Young, Meltzer, Sheen, Steil, Pastor, Palmer, Wenke, Calley. (17/17)

MEMBERS ABSENT/EXCUSED: None. (0/17)

Representative Sheen moved to adopt the minutes from the November 6, 2007 meeting. There being no objection, the minutes were approved.

Representative Wenke moved to excuse absent members. There being no objection, absent members were excused.

Chairman Bieda laid **HB 5409** before the committee.

HB 5409 Bieda	Business tax; other; credit for research and development expenses for qualified technology; provide for.
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Chairman Bieda, sponsor of the legislation, testified before the committee.

James McBryde and **Mark Morank**, representing the Michigan Economic Development Corporation, testified before the committee in support of **HB 5409**.

Eric Henning, representing General Motors, turned in a testimony card in support of **HB 5409** but did not wish to speak.

Chairman Bieda laid **SB 845** before the committee.

SB 845 Brown	Use tax; collections; application of tax to certain services; reduce rate for certain period and repeal.
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Scott Schrager, representing the Michigan Department of Treasury, testified before the committee in opposition to **SB 845**.

Jared Rodriguez, representing the Grand Rapids Chamber of Commerce, testified before the committee in support of **SB 845**.

Jamie Callahan, representing the Traverse City Area Chamber of Commerce and the Northern Michigan Regional Chamber Alliance, testified before the committee in support of **SB 845**.

Linda Thomas, representing the Coalition for Interior Design Registration, testified before the committee in support of **SB 845**.

Bradley Wendzel, representing Coloma Frozen Foods, testified before the committee in support of **SB 845**.

The following people turned in testimony cards in support of **SB 845** but did not wish to speak:

Brad Ward, representing the Michigan Association of Realtors.

Bonnie Bochniak, representing the Michigan Business and Professional Association and the Michigan Food and beverage Association.

Dawn Crandall, representing the Michigan Association of Home Builders.

Dan Smith, representing the Detroit Regional Chamber of Commerce, testified before the committee on the service tax.

Les Brand, representing Supply Chain Solutions, testified before the committee on the service tax.

George Moroz, representing the Tourism Industry Coalition of Michigan, testified before the committee on the service tax.

Tony Anderson, representing the Michigan Electric Cooperative Association, testified before the committee on the service tax.

Michael Peters, representing the Michigan Electric Cooperative Association, testified before the committee on the service tax.

Hannan Lis, representing Weight Watchers, testified before the committee on the service tax.

Charles Owens, representing the National Federation of Independent Business, testified before the committee on the service tax.

Fred Schlemmer, representing Steelpro Companies, testified before the committee on the service tax.

Jim Murray, representing AT&T, testified before the committee on the service tax.

Eric Henning and **Rick Zablocki**, representing General Motors, testified before the committee on the service tax.

Charlie Pryde and **Kelli Murphy**, representing Ford Motor Company, testified before the committee on the service tax.

Chairman Bieda returned to consideration of **SB 845**.

Representative Farrah moved to adopt the **(H-1) substitute to SB 845**.

FAVORABLE ROLL CALL:

YEAS: Reps. Bieda, Condino, Farrah, Robert Jones, Mayes, Meisner, Melton, Sheltroun, Warren, Young, Wenke. (11/17)

NAYS: Reps. Meltzer, Sheen, Steil, Pastor, Palmer, Calley (6/17)

PASS: None. (0/17)

A sufficient number of members voting in the affirmative, the motion prevailed.

Representative Mayes moved to adopt the following amendment to **SB 845 (H-1)**:

1. Amend the title of the bill after "2007 PA 103" by inserting and section 3d as added by 2007 PA 93".

FAVORABLE ROLL CALL:

YEAS: Reps. Bieda, Condino, Farrah, Robert Jones, Mayes, Meisner, Melton, Sheltroun, Warren, Young, Meltzer, Sheen, Steil, Pastor, Palmer, Wenke, Calley. (17/17)

NAYS: None. (0/17)

PASS: None. (0/17)

A sufficient number of members voting in the affirmative, the motion prevailed.

Representative Condino moved to report **SB 845** as an **(H-2) substitute**, with recommendation.

FAVORABLE ROLL CALL:

YEAS: Reps. Bieda, Condino, Farrah, Robert Jones, Mayes, Meisner, Melton, Sheltroun, Warren, Young, Meltzer, Sheen, Steil, Pastor, Palmer, Wenke, Calley. (17/17)

NAYS: None. (0/17)

PASS: None. (0/17)

A sufficient number of members voting in the affirmative, the motion prevailed.

Chairman Bieda returned to consideration of **HB 5409**.

Representative Farrah moved to report **HB 5409** with recommendation.

FAVORABLE ROLL CALL:

YEAS: Reps. Bieda, Condino, Farrah, Robert Jones, Mayes, Meisner, Melton, Sheltroun, Warren, Young, Meltzer, Sheen, Steil, Pastor, Palmer, Wenke, Calley. (17/17)

NAYS: None. (0/17)

PASS: None. (0/17)

A sufficient number of members voting in the affirmative, the motion prevailed.

There being no further business before the committee, **Chairman Bieda** declared the meeting adjourned, the time being **12:28 p.m.**

Representative Steven Bieda, Chair

Eric Esch, Committee Clerk (517) 373-0070